

ONI DECLASSIFICATION/RELEASE INSTRUCTIONS ON FILE

South Asia (India, Pakistan, Afghanistan, and Ceylon)

Note. This section assumes that there will be neither a solution nor armed conflict in the Kashmir dispute.

India

1. There will probably be no great change during this period in the basic Indian attitude toward the East-West conflict. On the one hand, there will probably be increasing disillusionment with Communist China and greater apprehensiveness over Communist internal strength and Soviet activity within India. (Some Indian officials were particularly concerned at the exhortations to foreign Communist parties in Stalin's closing speech at the Moscow Party Congress in October.) On the other hand, Indian suspicions regarding Western actions in the course of the Korean negotiations and in the UN handling of the Kashmir dispute have largely offset these factors and recent talk of US military support for Pakistan has had, and would continue to have, adverse effects in India. Fundamentally, the Indians will still seek to avoid involvement in the East-West conflict and will work to prevent that conflict from developing into open warfare. Although they will be less likely than formerly to be lulled by Soviet Bloc "peace" propaganda, they will almost certainly continue to apply different standards to US and Soviet actions, and to

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consider the US impetuous and aggressive on far less evidence than the Soviets.

2. Indian defense concern revolves almost wholly about Pakistan, and is unlikely to change or diminish so long as the Kashmir issue remains unsettled. India will continue to build potential military strength and particularly a stronger industrial base that might be used for military purposes. India ~~for most unlikely~~ will oppose that any South Asian country ~~be more receptive to any suggestion of joining in any joint defense~~ plans centered on either the Middle or Far East. However, India paying more attention to the possible necessity of defending has been attempting to strengthen the defenses of its northern borders and might take further steps in this direction in the event of Chinese Communist or Soviet military moves in those areas.

3. While there is virtually no possibility of India's granting base rights to the West during this period, the Indians continue to supply are not likely to ~~break out on supplying supplies of strategic materials (especially manganese) and might conceivably relax their position on monazite.~~ to the West

4. India is likely to withdraw her medical contingent from Korea in the near future, and popular sentiment is likely to become increasingly neutral in the Korean conflict, if ~~at~~ that conflict

(Note: Very little has actually been done to strengthen defenses aside from the establishment of police check posts on the frontier and some improvement of access roads. Beefing up Assam rifles, certain economic measures to improve standard of living in border area and reduce susceptibility to subversion.)
~~Snappy~~

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2. Indian defense concern revolves ^{principally} almost wholly about Pakistan, and is unlikely to change or diminish so long as the Kashmir issue remains unsettled. India will continue to build military strength and particularly a stronger industrial base that might be used for military purposes. India is most unlikely to be receptive to any suggestion of joining in any joint defense plans centered on either the Middle or Far East. However, India has been attempting to strengthen the defenses of its northern borders and ^{would} might take further steps in this direction in the event of Chinese Communist or Soviet military moves in those areas.

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3. While there is virtually no possibility of India's granting base rights to the West during this period, the Indians are not likely to seek to cut off existing supplies of strategic materials (especially manganese) and might conceivably relax their position on monazite.

4. India is likely to withdraw her medical contingent from Korea in the near future, and popular sentiment is likely to become increasingly neutral in the Korean conflict, if it

continues on a stalemate basis. On the other hand, if there were armed Communist movements into India's own border territories, including the virtual protectorates of Nepal and Bhutan, the Indians would probably react with force.

5. Internally, governmental actions against Communism are likely to increase, because of concern over the strength shown by the Communists in the last elections. Such actions will probably include more strict curbs on Soviet-sponsored activities, as well as a continued close watch on covert Communist activity.

materials

including the dissemination of Soviet propaganda /

6. The Indian attitude in the UN is likely to continue unchanged, despite recent Soviet brusqueness. ~~Outside the UN,~~ India is unlikely to be receptive to any suggested international aside from the U.N. itself groupings/that have an element of force. India might, however, be prepared to enter into purely economic treaty arrangements, for example involving Japan. whose foreign policy she hopes to influence through building up strong economic ties.

7. Except possibly on trade matters, the Indians are unlikely to enter into any bilateral negotiations with Communist China or the USSR. They will continue to take the general position of willingness to act as mediators encouraging East-West negotiation, but not acting on either side.

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8. Of the possible Soviet Bloc courses of action, a moderate Soviet propaganda line might have some impact in India. On the other hand, the continuation of Chinese Communist pressures on the northern borders, even short of armed incursions, would tend to increase Indian official disillusionment with the Chinese Communists.

9. The advance of Communist power into regions close to India would provoke the strongest Indian reaction in the case of Burma. Chinese Communist military intervention in Burma would almost certainly complete India's disillusionment regarding Peiping, and it is possible that India might contribute armed forces to a collective defense of Burma. With regard to Indochina, on the other hand, India still regards the struggle as one between a colonial puppet regime and the forces of independence, and Indochina's fall to the Viet Minh, even with discernible Chinese Communist intervention, would not produce a change in Indian official policy. The loss of Iran to Communist control, particularly if accomplished with discernible Soviet aid, would increase Indian apprehensions regarding Soviet intentions but would probably not result in any shift from the policy of non-involvement or in any urgent effort to settle the Kashmir dispute. (Strongly question this)
 (Capabilities limited both by numbers of available units and difficulty in providing logistic support).

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Pakistan

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1. Pakistan is likely to continue basically pro-Western, despite annoyance at the US part in the UN handling of Kashmir and at the US position on North Africa in the UN. The Pakistanis, however, will remain [redacted] desirous of US aid and not wishing to alienate the US. Their general attitude and degree of cooperation with the West is less likely to be affected by Soviet truculence or its absence than by Western policies toward Pakistan.

(Pakistan's pro-Western orientation stems from her fear of India, and USSR rather than any basic sympathy with capitalism or Christian civilization. It is more negative than positive.)

2. As long as the Kashmir dispute continues, Pakistan's military attention will continue to be directed predominantly at India, and Pakistan will view US aid with an eye to its possible usefulness against India. Pakistan has recently manifested interest in participating in MEDO and might make military commitments to the West (including provision of base rights) in return for military aid. However, the Pakistani government might demand Western support on Kashmir as an additional quid pro quo, and adverse developments on Kashmir might sharply diminish popular support for cooperation with the West, although the government is not decisively affected by public opinion and might proceed anyway if other inducements were substantial.

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except in exchange for substantial benefits.
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us-a-vis ^X
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[redacted] 6.

3. On trade with the Soviet Bloc, Pakistan may continue to cooperate informally on control of trans-shipments of strategic materials, but will almost certainly continue its heavy cotton trade with Communist China. There is no trade with the USSR, ^{is normally slight,} ⁵ but it is possible that the Pakistanis would buy ^{small} ^{in the} amounts of Soviet grain if offered.

4. The Pakistani position toward internal Communism will continue firm and vigorous, though the severity of governmental measures ^{very directly with the violence of} ² might decrease slightly if the Communist Party adopted non-violent tactics.

5. On overall foreign policy matters, Pakistan will continue to attempt to assert leadership in the Arab-Asian bloc in the UN.

6. As indicated above, the assumed general lines of Soviet Bloc action will affect Pakistan's orientation only to a limited degree. Outright Soviet support of Pakistan's position on the Kashmir dispute, which appears extremely unlikely, would at most reinforce anti-Western feelings in Pakistan, ^(but) ~~while~~ any other strong Soviet position would merely confirm Pakistani suspicions of the USSR. Chinese Communist pressures on Burma and the northeastern borders of India, by indirectly threatening East Pakistan, ^{conceivably}, might make Pakistan more eager to work out a settlement of the Kashmir dispute with India. Soviet or Chinese Communist marked activity in Tibet would ^(probably) tend in the same direction.

[Redacted]

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(Pakistan has been exchanging cotton for wheat with USSR).
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Afghanistan

1. Because of its isolated and exposed position vis-a-vis the USSR, Afghanistan will almost certainly remain neutral in the East-West conflict, despite underlying sympathy with the West. Afghanistan will probably retain the Turkish Military Mission, which has worked with its weak army since 1926, but will avoid any new step which might provoke Soviet anger and will continue susceptible to Soviet threats and pressures on the northern borders.

2. The Afghan government will almost certainly continue to control the minor Soviet subversive activity, chiefly confined to intellectuals and the Uzbek and Tadjik tribesmen of the north. There have also been reports of Tudeh activity in the west. There has been no evidence of Soviet activity among the Pathan tribes, on whom the government depends for support, and whose subversion would seriously undermine the regime.

3. Afghan acceptance of Western economic development aid is likely to continue limited because of Soviet pressures. Afghan trade will probably remain roughly balanced between the West and the USSR except in the unlikely event that Pakistan so severely curtailed use of its trade channels in reprisal

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for Afghan sponsorship of the Pushtoonistan issue as to force Afghanistan to turn to the USSR.

4. The Soviets are capable of stirring up trouble by the tactics named above and others, but probably could not change Afghanistan's basic position short of the use of force. If Iran fell into Communist hands, there would be a great increase in Afghan apprehensiveness, but probably no fundamental change in its neutral attitude.

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Ceylon

1. Ceylon will remain basically pro-Western, though somewhat disgruntled at its inability to obtain rice and sell rubber in Western trade channels. Although the Ceylonese will remain susceptible to any commercially attractive offers from the Soviet Bloc along the lines of the deal just concluded with the Communist Chinese, opportunities for further Orbit-Ceylonese trade are limited. The Ceylonese will almost certainly do nothing to interfere with the Western defense installations on Ceylon.

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(British)

NIE: 45 - SOUTH ASIA SECTION

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Comments by Charles Reta Daly

Page 4, Paragraph 9. *Not strong enough on India's reaction.* It is believed that the fortunes and destinies of India, the Middle East and Indochina are so closely interwoven that a Communist usurpation of any one country within that area would have a serious, disturbing effect upon India. Far more serious than disillusionment, and would certainly tend to shift India's policy towards the West.

Page 6, Paragraph 6. The following sentence is not sufficiently clear to judge its meaning: "Outright Soviet support of Pakistan's position on the Kashmir dispute, which appears extremely unlikely, would at most reinforce anti-Western feelings in Pakistan, while any other strong Soviet position would merely confirm Pakistani suspicions of the USSR."

SA - ONI

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~~SECURITY INFORMATION~~

6. South Asia:

a. Pakistan:

(1) Page 5, para 3. We suggest that the 2nd sentence reflect the actual statistics on Pakistan-USSR trade. "Pakistan's trade with the USSR is relatively minor. It is probable that Pakistan will continue to import Soviet wheat if its grain requirements cannot be met elsewhere."

Official Pakistani trade statistics for 1951-52 indicate that total Pakistani-Soviet trade for this period amounted to \$5,849,598. Commodities exported by Pakistan were raw jute and cotton, and imports from the USSR were ~~Approved For Release 2002/05/20 : CIA-RDP79R01012A001300050025-4~~ matches, metals and ores, paper products, cotton twist, wheat, and machinery.